

**KELLEY DRYE & WARREN LLP**

A LIMITED LIABILITY PARTNERSHIP

1200 19TH STREET, N.W.

SUITE 500

WASHINGTON, D.C. 20036

(202) 955-9600

FACSIMILE

(202) 955-9792

www.kelleydrye.com

DIRECT LINE (202) 955-9778

E-MAIL: jfreeman@kelleydrye.com

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November 8, 2001

CC 01-350

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**VIA COURIER**

Filing Secretary  
Federal Communications Commission  
Common Carrier Network Services  
P.O. Box 358145  
Pittsburgh, Pennsylvania 15251-5145

Re: In the Matter of INTELICALL OPERATOR SERVICES, INC. Application for Authority Under Section 214 of the Communications Act of 1934, As Amended, For a *Pro Forma* Transfer Of Corporate Control of a Common Carrier Providing Domestic Interstate Service

Dear Sir or Madam:

On behalf of Intellicall Operator Services, Inc., enclosed for filing are the original and five (5) copies of the above-referenced Application. Also enclosed with this filing are the FCC Form 159 Remittance Advice, a check in the amount of \$815.00 to cover the filing fee, and a duplicate copy of the filing. Please date-stamp the duplicate copy and return to the courier.

If there are any questions regarding this filing, please contact me at the above number.

Respectfully submitted,

  
James J. Freeman

Enclosures

<b>READ INSTRUCTIONS CAREFULLY BEFORE PROCEEDING</b>		<b>FEDERAL COMMUNICATIONS COMMISSION REMITTANCE ADVICE</b>		Approved by OMB 3060-0589 Page No <u>1</u> of <u>   </u>	
(1) LOCKBOX #				SPECIAL USE	
				FCC USE ONLY	
<b>SECTION A - PAYER INFORMATION</b>					
(2) PAYER NAME (if paying by credit card, enter name exactly as it appears on your card) <b>Kelley Drye &amp; Warren LLP</b>				(3) TOTAL AMOUNT PAID (U.S. Dollars and cents)	
(4) STREET ADDRESS LINE NO. 1 <b>1200 19th Street, N.W., Suite 500</b>					
(5) STREET ADDRESS LINE NO. 2					
(6) CITY <b>Washington</b>				(7) STATE <b>DC</b>	(8) ZIP CODE <b>20036</b>
(9) DAYTIME TELEPHONE NUMBER (include area code) <b>(202) 955-9778</b>			(10) COUNTRY CODE (if not in U.S.A.)		
<b>FCC REGISTRATION NUMBER (FRN) AND TAX IDENTIFICATION NUMBER (TIN) REQUIRED</b>					
(11) PAYER (FRN)			(12) PAYER (TIN) <b>0135335107</b>		
<b>IF PAYER NAME AND THE APPLICANT NAME ARE DIFFERENT, COMPLETE SECTION B IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C)</b>					
(13) APPLICANT NAME <b>Intellicall Operator Services, Inc.</b>					
(14) STREET ADDRESS LINE NO. 1 <b>16200 Addison Road, #100</b>					
(15) STREET ADDRESS LINE NO. 2					
(16) CITY <b>Dallas</b>				(17) STATE <b>TX</b>	(18) ZIP CODE <b>75001</b>
(19) DAYTIME TELEPHONE NUMBER (include area code) <b>(972) 267-0100</b>			(20) COUNTRY CODE (if not in U.S.A.)		
<b>FCC REGISTRATION NUMBER (FRN) AND TAX IDENTIFICATION NUMBER (TIN) REQUIRED</b>					
(21) APPLICANT (FRN) <b>0003-7848-40</b>			(22) APPLICANT (TIN) <b>75-2166054</b>		
<b>COMPLETE SECTION C FOR EACH SERVICE. IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET</b>					
(23A) CALL SIGN/OTHER ID			(24A) PAYMENT TYPE CODE <b>CUT</b>	(25A) QUANTITY <b>1</b>	
(26A) FEE DUE FOR (PTC)		(27A) TOTAL FEE		FCC USE ONLY	
(28A) FCC CODE 1		(29A) FCC CODE 2			
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(26B) FEE DUE FOR (PTC)		(27B) TOTAL FEE		FCC USE ONLY	
(28B) FCC CODE 1		(29B) FCC CODE 2			
<b>SECTION D - CERTIFICATION</b>					
(30) CERTIFICATION STATEMENT I, <u>James J. Freeman</u> , certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief.					
SIGNATURE <u>James J. Freeman</u>			DATE <u>11/08/01</u>		
<b>SECTION E - CREDIT CARD PAYMENT INFORMATION</b>					
(31)		MASTERCARD/VISA ACCOUNT NUMBER:		EXPIRATION DATE:	
<input type="checkbox"/> MASTERCARD					
<input type="checkbox"/> VISA					
I hereby authorize the FCC to charge my VISA or MASTERCARD for the service(s)/authorization herein described.					
SIGNATURE _____			DATE _____		

**KELLEY DRYE & WARREN LLP**1200 19TH STREET, N.W.  
WASHINGTON, DC 20036

007162

15-122/540  
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TO THE  
ORDER OF Federal Communications Commission\$ 815.00Eight Hundred Fifteen And No/100

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DETACH AND RETAIN THIS STATEMENT  
THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW. IF NOT CORRECT PLEASE NOTIFY US PROMPTLY. NO RECEIPT REQUIRED.  
KELLEY DRYE & WARREN LLP

DATE	DESCRIPTION	AMOUNT
11/8/01	Filing Fee for FCC - ILD Telecommunications, Inc.	\$815.00

**DUPLICATE**

Before the  
**FEDERAL COMMUNICATIONS COMMISSION**  
 Washington, D.C. 20554

In the Matter of )  
 )  
 INTELICALL OPERATOR SERVICES, INC. )  
 )  
 Application for Authority Under )  
 Section 214 of the Communications Act of 1934, )  
 As Amended, For a *Pro Forma* Transfer )  
 Of Corporate Control of a Common Carrier )  
 Providing Domestic Interstate Service )

NOV 08 2001

FCC/MELLON

**APPLICATION**

Intellicall Operator Services, Inc. ("IOS"), by its attorneys and pursuant to Section 214 of the Communications Act of 1934, as amended ("the Act"), 47 U.S.C. § 214, hereby requests authority to complete a *pro forma* transfer of corporate control, whereby the shareholders of IOS's parent, ILD Telecommunications, Inc. ("ILD"), will become shareholders of a new company, ILD Holdings, Inc. ("Holdings") which will then own all of the issued and outstanding stock of ILD. ILD will continue to own all of the stock of IOS. This Application is filed for "domestic" service, as IOS holds blanket Section 214 authority pursuant to Section 63.01 of the Commission's Rules, 47 C.F.R. § 63.01. Because the transaction is *pro forma* in nature, it is respectfully requested that this application be given expedited consideration.

Pursuant to the guidelines set out in the Commission's Public Notice released July 20, 2001,<sup>1</sup> IOS sets forth the following information in support of this Application:

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<sup>1</sup> *Common Carrier Bureau Announces Procedures for Applicants Requiring Section 214 Authorization For Acquisitions of Corporate Control*, DA 01-1654, released July 20, 2001. The Commission simultaneously released an NPRM seeking comment on changes to its rules to streamline the Section 214 application process for acquisitions of corporate control involving domestic interstate carriers, including *pro forma* transfers.

(1),(2) *Description of the Transaction and the Parties Involved; Description of the Type of Services Provided and Locations Where the Services are Provided.*

**The Transaction:**

IOS, currently a direct, wholly owned subsidiary of ILD, seeks authority to undergo a minor restructuring of its ultimate ownership. For various business reasons, ILD desires to effect a merger under Delaware law resulting in a new company, Holdings, owning all of ILD's shares with ILD's present shareholders owning shares in Holdings identical in number, class and status to those they now hold in ILD. This will be accomplished under Delaware law by having a special purpose subsidiary of Holdings merge with and into ILD. ILD will be the surviving entity in the merger and will thus become a wholly-owned subsidiary of Holdings. ILD's shares outstanding prior to the merger will be cancelled and its shareholders will be issued shares in Holdings identical in number, class and status to those they held in ILD. Because the present shareholders of ILD will hold exactly the same interest in Holdings, there is no change in the ultimate control of IOS or ILD and this transaction thus qualifies as a "*pro forma*" change in control. ILD, of course, will continue to own all of the stock of IOS.

**Parties and Services:**

**Intellicall Operator Services, Inc.**, a Delaware corporation headquartered at 16200 Addison Rd., # 100, Dallas, TX 75001, is a direct, wholly owned subsidiary of ILD. IOS is authorized to provide domestic and international service by the FCC. IOS is also authorized to provide local and intrastate interexchange service in numerous states. IOS currently serves business and residential customers.

**ILD Telecommunications, Inc.**, a Delaware corporation headquartered at 13000 Sawgrass Village Circle #5, Ponte Vedra Beach, FL 32082 is a widely-held non-public

company. It holds no telecommunications authorizations in its own name and all of its telecommunications services are offered by its subsidiary, IOS.

**ILD Holdings, Inc.**, a Delaware corporation located at the same address as ILD, is a newly formed Delaware corporation. It will function as a holding company and, upon completion of the merger transaction for which approval is sought, it will own all of stock of ILD and the current shareholders of ILD will become shareholders of Holdings with identical interests. As is evident, the insertion of Holdings as the new parent of ILD (and ultimately of IOS) does not affect the continued ultimate ownership and control of all of these entities by the current shareholders of ILD.

Correspondence concerning this Application should be sent to:

James J. Freeman  
KELLEY DRYE & WARREN LLP  
Suite 500  
1200 19<sup>th</sup> Street NW  
Washington, D.C. 20036  
Tel: (202) 955-9778  
Fax: (202) 955-9792

(3) *List of Applications Pending or To Be Filed with the Commission Relating to this Transaction.*

Pursuant to Section 63.24 of the Commission's Rules, 47 C.F.R. § 63.24, IOS, as a carrier with an international Section 214 authorization, is also filing notice of a *pro forma* transfer of control. Commission approval is not required pursuant to Section 63.18 of the Commission's Rules, 47 C.F.R. § 63.18, because the transfer of control is *pro forma*; it will not result in a change in the ultimate control of IOS.

(4) *A Copy of the Relevant Merger Agreement, if Any.*

There is no relevant merger agreement. This transaction is an intracorporate restructuring.

(5) *Statement that Granting this Application is in the Public Interest.*

Granting this Application serves the public interest, convenience and necessity. It involves no change in the entity providing service to customers nor does it propose any change to the terms and conditions of such service. The restructuring does not affect the technical or financial qualifications of IOS nor the management of IOS – the existing officers and directors will remain the same as will the customer and regulatory contacts for IOS. Thus, the transaction will be completely transparent to customers.

This restructuring is intended to establish a new holding company structure and it is expected to facilitate current and future financing transactions by permitting the pledge of the stock of all companies holding significant assets, including ILD. Because ILD has numerous shareholders, it is not practical to provide lenders with a pledge of all of its stock as presently structured. With the restructuring, ILD's stock can be pledged as it will all be owned by Holdings.

In addition, we note that IOS competes with numerous other interexchange carriers and enhanced network providers as well as ILECs and other CLECs. Because the public interest is best served by assuring the presence of numerous telecommunications competitors, it is important to provide such competitors with the flexibility to arrange their ownership in the manner they deem most appropriate to carry on their business so long as there is no adverse impact on the public. To deny such flexibility would discourage new competitors from entering the market, which would not enhance the public interest. IOS respectfully submits that this consideration also supports grant of this Application.

(6) As evidenced by the certification provided in **Attachment 1**, no party to this Application is subject to a denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

Based on the foregoing, IOS requests that the Commission expeditiously grant this Application.

Respectfully Submitted,

**INTELLICALL OPERATOR SERVICES, INC.**

By: 

B. Reid Presson, Jr.  
Secretary

James J. Freeman  
KELLEY DRYE & WARREN LLP  
Suite 500  
1200 19<sup>th</sup> Street, N.W.  
Washington, DC 20036

Its Attorneys

Date: 11/7/01



**Attachment 1****CERTIFICATE**

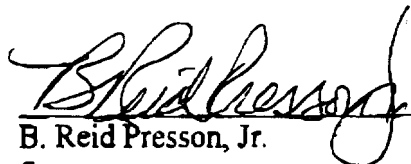
The undersigned hereby certifies, on behalf of Intellicall Operator Services, Inc. ("IOS"), with respect to the foregoing domestic application for authority to conduct a *pro forma* transfer of corporate control, that:

No party to this Application is subject to a denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

Date:

11/7/01

By:



B. Reid Presson, Jr.

Secretary

INTELLICALL OPERATOR SERVICES, INC.